

handler for his own account during each crop year through each of the following dates: December 31, March 31, and June 30. Such redetermined kernel weight for each handler shall be the basis for computing his reserve obligation for the crop year through such dates, except that adjustment shall be made for almonds on which the obligation has been assumed by another handler. The redetermined kernel weight of each handler's receipts, as of any date during the crop year, shall be his carryover as of that date plus the weight of almonds delivered or used in products minus the carryover at the beginning of the crop year, the weight on which another handler has assumed the obligations, and the weight delivered to exempt outlets. Weights used in such computations for various classifications of almonds shall be:

(a) For unshelled almonds, the kernel weight based on representative samples reduced to shelled weight;

(b) For shelled almonds, the net weight; and

(c) For shelled almonds used in production of almond products, the net weight of such almonds.

[41 FR 26853, June 30, 1976, as amended at 61 FR 32921, June 26, 1996]

#### DISPOSITION OF RESERVE

##### **§ 981.65 Prohibition on the use or disposition of reserve almonds.**

Except as provided in §§ 981.66 and 981.67, almonds that are withheld as reserve pursuant to the requirements of § 981.50 or are creditable in satisfaction of a reserve withholding obligation thereunder, shall not be used or disposed of by any handler or any other person.

##### **§ 981.66 Conditions governing disposition of reserve.**

(a) *General.* The Board shall have power and authority to sell or dispose of any and all reserve almonds withheld upon the best terms and at the highest return obtainable consistent with the ultimate complete disposition of reserve, subject to all conditions of this section.

(b) *Exclusion from salable normal trade channels.* No reserve almonds shall be sold in the United States, Puerto Rico,

and the Canal Zone other than to governmental agencies or to charitable institutions for charitable purposes, except for diversion into almond oil, almond butter, poultry or animal feed, or into other channels which the Board finds are noncompetitive with existing normal markets for almonds, and with proper safeguards in each case to prevent such almonds thereafter entering the channels of trade in such normal markets.

(c) *Disposition after December 31.* Any reserve almonds remaining unsold as of December 31 shall be disposed of by the Board as soon as practicable through the most readily available reserve outlets. The date of December 31 herein specified may be extended to a later date by the Secretary, upon recommendation of the Board or other information.

(d) *Expenses.* Direct expenses incurred by the Board in the maintenance and disposition of reserve almonds shall be charged against the proceeds of sales of such almonds.

(e) *Distribution of proceeds.* Net proceeds from the disposition of reserve almonds by the Board shall be distributed to each handler in proportion to his relative share of such disposition in terms of creditable reserve kernel weight pursuant to § 981.51 or such other basis as the Board may adopt with the approval of the Secretary.

[35 FR 11372, July 16, 1970, as amended at 37 FR 3984, Feb. 25, 1972; 41 FR 26854, June 30, 1976; 61 FR 32921, June 26, 1996]

##### **§ 981.67 Disposition by handler.**

Upon request of a handler, made prior to the delivery by him of any reserve to the Board in any crop year, the Board shall authorize such handler to act as agent of the Board, upon such reasonable terms and conditions, including inspection and certification requirements, as the Board may specify and subject to the conditions of § 981.66 in disposing of the reserve withheld from handling by such handler for that crop year. Any handler who is authorized to dispose of his reserve may, through arrangement with another handler dispose of such reserve through such other handler or, in lieu of disposition, may acquire credits for reserve disposition from another handler.